

THE PRESIDENT'S INTELLIGENCE CHECKLIST

17 JULY 1962

~~TOP SECRET~~

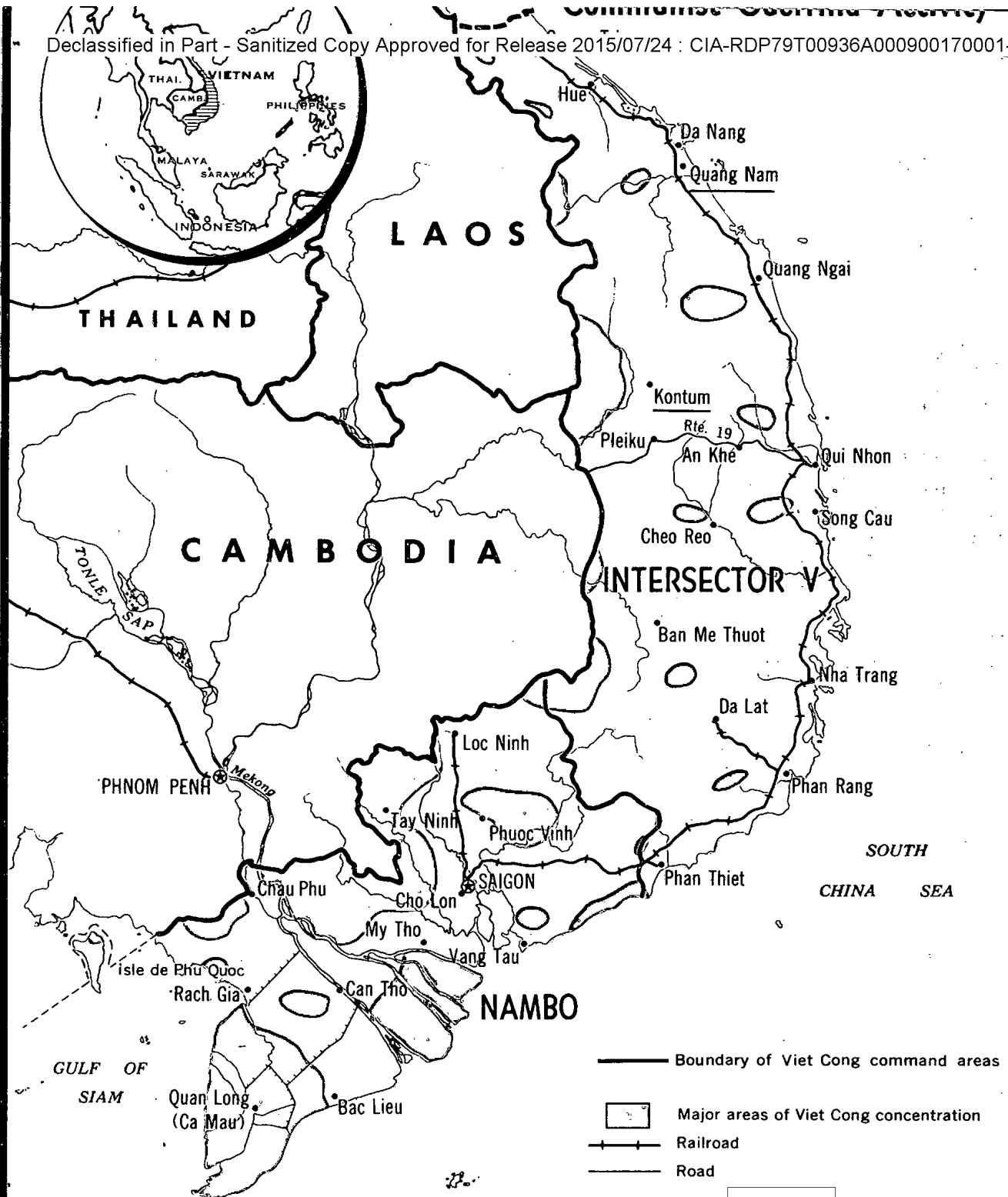
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1. Laos

Phoumi drew a flat refusal when he asked Souphannouvong yesterday to let a company of Royal Army troops into the Plaine des Jarres to match the Pathet Lao contingents already in Vientiane and Luang Prabang. Phoumi says he will let the issue stew for a couple of days, but has, in the meantime, sent a cable to Souvanna in Geneva urging him to return to break the impasse. Governor Harriman has been instructed to see Souvanna as soon as possible to register US displeasure at this display of bad faith by Souphannouvong.

2. Algeria

Reports persist that the chiefs of the Algerian military districts are still huddling midway between Algiers and Oran. We have no good information on what is going on, but, with the military scales weighted heavily on the Ben Bella side, we fail to see how the meeting can produce anything palatable to the Ben Khedda forces. The scurrying back and forth between the two camps by political leaders, the latest being former provisional government premier Ferhat Abbas, provides what hopes remain that a facade of unity can be constructed, at least until elections are held.



3. Peru

The word in Lima is that a military cabinet will be installed today in place of the civilian cabinet which resigned en masse yesterday after President Prado had rejected the military's demands that he nullify the elections. Despite this refusal, we have been told by a member of the outgoing cabinet that Prado has agreed to call new elections unless Haya de la Torre's APRA party and General Odria can get together on a coalition to be headed by Odria. As of now, the government is neither fish nor fowl, being somewhere between the constitution and a military dictatorship.

4. Indonesia-Netherlands

Under prodding from Ambassador Jones, Subandrio has eased away from a demand for the direct transfer of administration over West New Guinea to Djakarta. He now says merely that he hopes the transfer can be "accelerated," and declares that he will not be carrying any ultimatums in his pocket when he leaves for Washington tomorrow.

5. South Vietnam

It is becoming increasingly apparent that the Viet Cong is hard at work building a full-blown military structure, using cadres of North Vietnamese regulars as a nucleus. The center of their activity is in Intersector 5, which has the twin advantages of rugged terrain and closeness to the trails feeding in from Laos.

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6. Cuba

The Cuban press is again busy working up a propaganda lather over the US base at Guantanamo. Even though the theme is old hat, Havana has vowed frequently to take the issue to court before an international body at an "appropriate time," and, given his domestic troubles, Castro may have decided that the time for such a diversion has arrived.

7. Burma

Ne Win left for Europe on schedule last Saturday, indicating that he would be gone at least a month. Hardly less puzzling than the departure itself, was his decision to name as his fill-in Brigadier Aung Gyi, who has not seen eye-to-eye with Ne Win on many aspects of his authoritarian program. On top of this, there is every sign that the problem which has most plagued Ne Win, the insurgency of Burma's ethnic minorities, is going from bad to worse.

NOTES

- A. Khrushchev is planning to leave soon for his vacation place on the Black Sea, possibly remaining there into September. This, together with the six weeks he took early this year, would confirm the pattern of longer and longer rest periods [REDACTED] 50X6
[REDACTED] 50X6
- B. Nasir is expressing alarm at growing Communist involvement in Syria, and we think he has some grounds for his concern. [REDACTED] 50X1
[REDACTED]
- C. The Thais withdrew their police unit from the Preah Vihear temple yesterday, relinquishing it to Cambodia.
- D. The Brazilian subsidiary of a US utilities company is again embroiled in a property dispute with a state government. The company's contract expires today, but it has asked for a court order blocking seizure until its compensation claims have been met. With elections not far off, there is little doubt that the local government is looking for political dividends, and this in turn may bring federal intervention on the issue.
- E. Our Embassy in Cairo is quite pleased by the moderate, positive tone of the draft wind-up declaration of the Cairo conference. From all indications, Cuban attempts to get in some nasty licks went nowhere.
- F. The Shah of Iran's visit to Kabul, where he will begin efforts to mediate between Afghanistan and Pakistan, has been officially announced, with a beginning date of July 26.

DOCUMENTS OF INTEREST

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[REDACTED]

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THE DIRECTOR OF CENTRAL INTELLIGENCE